LOSS PREVENTION SUBCOMMITTEE MEMBERS PRESENT

Sydney Dore	Department of Social and Health Services
Kathy Gastreich	Department of Corrections
Arthur Florence	Employment Security
Chuck Greenough	State Board for Community and Technical Colleges
Bill Henselman	Department of Transportation
Larry Keller	Department of Ecology
Carole Matthews	Department of Labor & Industries
Stephen Simmons	Department of Social and Health Services
Tom Wendel	Office of the Attorney General
Don Sorenson	Washington State Patrol

OFM STAFF PRESENT
Nancy Heyen
Meg Jones
Denise McKay

Introductions were made and a report from the nominating committee for the election of a new chair was presented. Dr. Don Sorenson, WSP was nominated and elected the new chair of the LPSC.
Approval of the meeting minutes from November 16, 2005 was moved and seconded. The motion to approve the minutes was adopted.

Mission – Purpose of Subcommittee
Background on the subcommittee and how it functioned in the past was discussed. Discussion occurred regarding the interpretation of Article 7 of the by-laws. Identifying performance measures is consistent with past LPSC work, and if the measures are evaluated, and policy issues highlighted to RMAC in relation to loss prevention strategies to improve the state's outcomes on the measures, the LPSC's work will be consistent with the by-laws.

Performance Measures Matrix Review
The committee reviewed the performance measures adopted at the last meeting, discussed the data sources for the measures and made decisions regarding which measures to retain and how to collect data and report on the measures.

LPSC background was reviewed – it is important to have data on a statewide perspective to see what the picture looked like for the state as a whole in order to manage and minimize risk. Certain areas were then targeted where the state could get the greatest results. The subcommittee asked OFM to provide data related to the measures for the state as a whole, and to send it to the members in advance for the next meeting. The committee wants to make sure they know which areas to track with a focus on reducing state liability.
How would the data be used?
- ‣ Give the data set to agencies or RMAC
- ‣ Let agency come back with recommendations
- ‣ Then keep data and respond to data

Role for OFM to provide hands on help to any agency who needs it. Be a messenger and promote concepts that risk managers think are important and also to be a data source of information to all agencies. RMD has a repository role for the whole state regarding data as it keeps loss history data on each agency on substantial losses.

Could measures be tied into GMAP risk measures?

4 areas for this committee:
  1) Areas of incidents

2) Performance measures
3) Recommendations
4) Policy considerations

Meg is to prepare a separate document for the next meeting summarizing the discussion.

A recap of the last meeting – identifying performance measures that reflected common risk elements of enterprise risk state government so agencies would pay attention to it. The LPSC then discussed the measures and their validity.
Identified these measures: worker's comp; safe driving; employment practice liabilities; general liability issues.

1) Time and completion of performance evaluations – easy because some agencies already have the data. DOP has it on GMAP. Good one to have because DOP is going to have agencies track it anyway. Would it be a benefit to track it here if it is being tracked somewhere else?
2) Training on Risk Issues at 3 levels: macro, employment practices liability and auto practices liability – Litigation and claim information provides a data source. Post-resolution analysis provides qualitative data that can also be quantified in time. Another data source for employment issues is the internal discrimination office within agencies that are doing investigations and these investigations would be a source of information. Tom and Meg will be on a committee to discuss EPL data types and sources.
3) Worker Safety – Loss time days within agency may be checked in the future by the new HRMS system by DOP. Time loss days per claim data available now. Do this one.
4) Core elements of risk management: incident reporting scorecard identifying incident reporting program, assessment process, monitoring process for identified changes. EMM will be reporting as well would be redundant to report on it.
5) Percent of Employment claims that turn into lawsuits –track number of claims resolved at the claims stage. Want to do this one.
6) Defense costs associated with employment practices liability - won't be able to report accurately until new RMIS system in place. Data needs to be gathered from the AGs office before it can be reported. Data is there if the focus is on defense costs – keep.
7) Incidents and claims of death and serious injury associated with state action. Can track incident experience measure needs to be compared to something to have utility. Compare to what percent incidents reported result in a claim or lawsuit.

Report these measures back to RMAC to see if these are items that need to be looked at closer. Committee will figure out what the reports look like and present it with a mission interpretation statement. Plan is to discuss the report format at the next LPSC meeting.

Enterprise Risk Management Maturity Model: The Enterprise Risk Management Maturity Model was presented in draft form. Each agency has been initially ranked, and ranking is available to agencies. OFM Risk Specialists will work with agencies on moving forward on the ERM-maturity continuum. Meg will send out an electronic version marked as a draft to committee members.   Members will look at the draft elements and if there are any additions discuss with Meg. Please get feedback to Meg before March 14th GMAP meeting if possible.

Meeting adjourned at 3:30 p.m.

Next meeting date: April 11, 2006 1:30 p.m.